Subscription

The undersigned, each for himself, herself or itself, in consideration of the benefits expected to be derived from the building of the houses contemplated in the proposed Non-Profit Organization and Valley Advertising Fund outlined in the attached open letter by W. P. Whitsett, hereby approves of said Organization and Advertising fund and subscribes to said advertising fund the acreage described and set opposite our respective names below.

The subscribers hereto shall be deemed to be members of said Non-Profit Organization and, in consideration of the agreements on the part of said W. P. Whitsett for himself and for Roy V. Milner set forth in said open letter, we request that said Whitsett be constituted the Chairman in charge of said Organization and that Roy V. Milner act as Secretary thereof, and that they select five persons from among the subscribers hereof or representing some subscriber to constitute, with them, an Executive Committee of seven who shall have charge of the operations of said Organization with the understanding that the approval of at least four out of said seven shall be required for the disbursement of any moneys accruing to said Organization for advertising purposes or from the sale of said lands and the houses to be erected thereon, with the further understanding that none of said moneys shall be paid to either said Whitsett or said Milner nor to any other member of said Organization except for services rendered or material furnished and then only if said member be the lowest bidder, but said Executive Committee may hire and pay for usual clerical work, rent of an office, telephone, stationery and like expenses usual to such operations.

Whenever 125 acres of the nature and location satisfactory to said Whitsett and Milner have been subscribed hereto this subscription shall be deemed to be effective and binding on all of the parties involved in the transaction. It is understood and agreed, however, that if less than 125 acres are subscribed and said Whitsett nevertheless elects to carry out his agreements set forth in said open letter and so notifies the subscribers hereto, this agreement shall thereupon be effective on such subscribers and Whitsett; the erection of the houses under said proposed operations to be deemed and accepted as full consideration for the conveyances of the lands subscribed hereunder.

Within ten days after being notified that either the 125 acres has been so subscribed or that Whitsett elects to proceed with the operations of said Organization with less than that amount subscribed, each of the subscribers hereto agrees to convey to the bank in Van Nuys with which it does business or to some trust company in Los Angeles City the lands subscribed hereunder and to instruct said bank or trust company that if, at any time within 18 months from April 1st, 1932, said Organization erects five dwelling houses on each of five acres of said land, of the general design and plan shown on the attached sketch, or causes the same to be done or gives assurance satisfactory to said bank or trust company that same will be done, said bank or trust company is to immediately convey said five acres so built on or to be built on to the order of said Organization without collecting any consideration therefor; but that if, at the end of said 18 months' period, such houses have not been erected or said bank or trust company not be satisfied that within 90 days thereafter they will be erected, so much of said lands as have not been built on (5 houses to 5 acres) are to be re-conveyed to the subscribers hereof, respectively!

And whenever said bank or trust company is required to convey any five acres, as above provided for, to the order of said Organization, the subscriber of that particular five acres hereby specifically agrees, immediately on demand at that time, to pay all taxes, assessments and encumbrances on said five acres to the end that same may be conveyed by said bank or trust company free of encumbrances except taxes for the then fiscal year that may be a lien but not yet payable and restrictions, if any, in effect at that time; and subscriber further agrees, at that time, to pay all escrow charges and to furnish and pay for title insurance to the amount of $4,000. for each five acres showing title in said bank or trust company free of encumbrance except as above provided for.

Nothing herein shall be construed as constituting the subscribers hereto as partners, pro-rata or otherwise, and it is expressly understood and agreed that there shall be no obligation or liability on any subscriber hereto other than to convey the lands and pay taxes, assessments, encumbrances, escrow and title charges as specifically provided for herein and that there shall be no obligation or liability on said Whitsett and Milner other than as specifically set forth herein and in the attached letter.

Subscriber	Acres	Description

(Reprinted from Editorial Page of The Van Nuys News, Thursday, February 18, 1932

The Garden Acre Home Group Plan Explained

Contemplates Possible Building and Selling of 300 Homes With Acre of Land at Minimum Price

An Open Letter By W. P. WHITSETT

President Hoover appeals for the building of homes in order to give employment to idle labor.

Henry Ford says: "In times like this everyone must be willing, for a time, to do business without profit to start the normal processes of industry and business again."

All thinking people see the desirability of getting city dwellers back onto the land where they can, in spare time, produce a part of their living.

Garden acres in the San Fernando Valley, where the owner has city utilities such as pavements, water piped, gas and electricity, and can keep a cow or goat, rabbits and chickens, grow berries and fruit and raise a garden, appear to be the answer to these requirements.

It is therefore proposed to effect a non-profit organization to be joined in or sponsored by the representative interests of the San Fernando Valley with the purpose of building and selling such garden acre homes, in groups of five, for cash, as a community service and not for private gain.

Million Dollar Project

The "plan" contemplates the possible building and selling of 300 houses, including an acre of land, at approximately $3500 each, for cash, involving the possibility of upwards of a million dollars of new business for the San Fernando Valley.

$100,000 Advertising Fund

The "plan" contemplates that the larger interests in the Valley should subscribe 125 acres at $800 per acre, or $100,000 in land, to a Valley advertising fund.

Optioned Land for Groups

The "plan" contemplates the option to said Non-Profit organization of 175 acres additional at not over $800 per acre.

All said lands to be on paved streets, with water, gas and electricity, not over 660 feet deep and price to include all present assessments and taxes paid.

Prices

The set-up to said non-profit organization should then be approximately as follows:

One garden acre	$ 800
House, etc., complete	2500
Total	$3300
5% commission to licensed brokers on land only	40
Supervision of house building, writing advertising, clerical, stationery, etc. (none of this is to go to any member of organization and the balance over necessary expenses to go to advertising fund)	160
Cost to non-profit organization	$3500
Sale Price	3500

Operation

It is proposed to offer the proceeds from the sale of the $100,000 of land subscribed to said advertising fund, to the newspapers, radio and other proper advertising agencies as payment for such advertising.

All such advertising is to be run in the name of said non-profit organization, giving the names of the members and the sponsors thereof.

The said non-profit organization to determine the order in which group sales of said subscribed and optioned lands are to be made in order to be able to offer the most saleable groups first.

All materials to be contracted for at lowest competitive bid and labor likewise to be let by the job to lowest competitive bidder. Local labor and materials to be given consistent preference.

Arrange to give leads to and secure cooperation from all real estate men on some basis fair to all.

Financing to be arranged for those having part cash only.

What Is the Whitsett Group Plan?

The "plan," roughly, is the application of the principle of automobile mass production to that of building homes on garden acres in the San Fernando Valley. When you purchase an automobile you have no choice of chassis or engine. Those have been worked out by eminent engineers to obtain the best type for the money, then standardized and manufactured under mass-production methods to secure lowest possible selling costs. You have a choice only of colors and models.

Well Built Roomy Houses

We have had a capable and experienced architect, at much expense, work out a standardized floor plan of five large rooms, with one room convertible into a third bedroom if desired, two sets of bath and toilet plumbing, and modern features such as tile, hardwood floors, fireplace and double garage, together with numerous alternative elevations of modernistic Spanish and Monterey types with tile roofs. These houses are roomy, attractive, up-to-date, extremely livable and adapted to the San Fernando Valley, and should be an ornament and credit to any community, and the last word in home construction.

By building there under mass-production methods, that is, by arranging in advance for materials for 100 or more and building them in groups of five with different elevations and colors to do away with monotony of exterior design, contracting all labor and materials to the lowest bidders and paying spot cash for everything, our investigations lead us to believe we will be able to build for about $2500 these very desirable, attractive and roomy houses that would probably cost from $5500 to $6000 each a few years ago, and even on this market might cost $4000 or more if individually planned and built.

How can the "plan" be put into operation here and now? Whose cooperation is necessary?

The larger financial and land interests in the San Fernando Valley by subscribing the necessary land for the Valley advertising fund and giving or getting the options for additional groups.

Here is what I will do if the entire program is carried out: I will subscribe five well-located acres to said Valley advertising fund. I will advance $12,500 in cash for a revolving fund with which to build said houses in groups of five each. I will assume the responsibility for the success of the "plan" and furnish without charge whatever time it is possible for me to spare to the supervising of this stabilizing movement and I will also furnish without charge the services of my capable and experienced assistant, Roy V. Milner, to work out the details of said non-profit organization and its sales, in conjunction with his other duties.

Investment—Not Donation

The subscription of lands to the community advertising fund is an investment for the benefit of the subscriber, who receives in addition the direct benefit of having these high-class homes built in groups adjoining his remaining holdings. Subscribers to the advertising fund therefore receive double benefits and such subscriptions may well be considered as a discount on the sale of the entire property. Thirty acres can be sold sooner and for more money with 10 of the houses occupied on the subscribed 10 acres than the whole unoccupied 40 acres could be sold for.

Not a New Idea

Inducements such as these for new buildings and new residents are always a part of carefully planned developments for profit. The Los Angeles Suburban Homes company in its original development of 47,500 acres in this Valley not only advertised but gave a discount of one-fourth of land sales for substantial houses of artistic design.

When I started the town of Van Nuys I gave outright the entire block on the west side of Van Nuys boulevard between Sylvan and Erwin, where the California Bank now stands, to get those buildings erected.

I gave one-fourth discount for all of the early homes.

I gave outright lots for the grammar school, high school, Pacific Electric depot, telephone building, newspaper office, city hall and churches of several denominations. Ten acres and $40,000 cash bonus for the organ factory, 10 acres in town and 40 acres outside for the cooperative cannery and a discount of one-half the sales price on a whole section of land to start the poultry industry.

It may be claimed that those big inducements and discounts were justified because made at early stages of the San Fernando Valley development, but when those big discounts and inducements were made real estate was selling much more readily than it is now and, it seems to me, that present conditions call for some such large scale action even more than then.

In the above instances we received only the indirect benefits of improvements made, whereas, under this proposed "plan" the subscriber receives a much more direct benefit for the improvements are made on a former part of his own land and in addition the subscriber knows that his subscription is used to advertise the whole Valley and for nothing else.

The owner of every 40 acres who desires to sell, in my opinion, can well afford to subscribe 10 acres to said community advertising fund for the benefit he should receive by having 10 of these attractive homes, sold to substantial newcomers, adjoining his remaining holdings, particularly in view of the fact that every dollar received for the subscribed land is to be used only to give publicity to the true and fundamental merits of the San Fernando Valley. Such a subscription would be the same as a 25 per cent discount on the 40 acres. And under these conditions the remaining 30 acres will sell sooner and for more than the whole 40 acres.

3 Year Stabilizing Program

It is designed that these operations be carried on energetically but at the same time in such an orderly manner and with such persistent continuity as to bring cumulative benefits to the economic structure of the entire San Fernando Valley. Averaging a house every three days, the 300 houses contemplated would require about three years to complete.

The operations of such a community-service, non-profit organization and "plan," on the scale contemplated, should stabilize the value of perhaps 50,000 acres, now sagging and facing tax confiscation, give employment to our idle workmen and bring financial life to every business interest in the Valley.

I shall probably have to leave soon for Washington regarding the Colorado River Aqueduct and that is the reason I am putting myself on public record at this time and placing the matter squarely up to the larger land and financial interests in the Valley.

No one man or interest can be expected to create enough activity to "start the normal process of business again" in the San Fernando Valley. It requires community action and cooperation.

Your opportunity is here and now.

Copyright

It is proposed to copyright this plan, if possible, and permit its use elsewhere only on a non-profit, community service basis.